INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 1631 — Washington, D. C. — May 4, 1957

Business Activity Continues High in First Quarter

Over-all business activity has continued high in the recent period, notwithstanding cross-currents that have affected particular segments of the economy, the Office of Business Economics of the Department of Commerce reports in the April *Survey of Current Business*.

A record flow of individual incomes is a strong and pervasive element in the current situation. Personal income continued to rise throughout the first quarter of this year, attaining an annual rate of $337½ billion in March. This was up nearly $4 billion from the last quarter of 1956 and $19 billion, or 6 percent, from March a year ago. Most sources of income have contributed to the general advance in recent months.

The employment situation remains generally favorable. Seasonally adjusted, the number of employees in nonfarm establishments changed little from February to March, continuing the pattern of relative stability in evidence since last fall. Nonfarm employment is currently about 1 million higher than a year ago, with the increase concentrated in nonmanufacturing industries. In manufacturing, seasonally adjusted employment has eased in recent months with an accompanying reduction in the length of the workweek.

Business sales in the early part of this year were at an all-time high. Seasonally adjusted sales in manufacturing and trade totaled $56½ billion in both January and February —up nearly $1 billion from the fourth quarter, although the increase mostly reflected higher prices. Retail sales in March, at $16.3 billion seasonally adjusted, were 1 percent below February and 4 percent above March, 1956.

The pattern of over-all demand for national output in the first quarter of 1957 featured a continued expansion in final purchases of goods and services. Under the stimulus of higher incomes, consumer spending for goods and services advanced to a new record rate. Purchases by federal and state and local governments also in-

(Please turn to page 173)

N.C.A. Appears at Senate Agriculture Hearing To Oppose Bills To Authorize Marketing Orders on Cranberries

The N.C.A. testified this week before a Senate Agriculture Subcommittee in opposition to legislation that would authorize federal marketing orders on cranberries for processing.

The N.C.A. presentation was made by John C. Hemingway of H. C. Hemingway & Co., Auburn, N. Y., as Chairman of the Association's Legislative Committee, and by H. Thomas Austern, N.C.A. Chief Counsel.

Both reaffirmed the canning industry's long-standing opposition to such compulsory controls over canning crops as being uneconomic, unfair, and unwise.

Leon April of Morris April Brothers, Bridgeton, N. J., also appeared at the hearing to oppose some features of the marketing order legislation.

Representatives of the National Cranberry Association and of the major farm organizations testified in favor of the marketing order bills. The farm organizations expressing their approval were the American Farm Bureau Federation, National Council of Farmer Cooperatives, National Farmers Union, and the National Grange.

The USDA submitted a statement which said, in part:

"It is the view of the Department, which has been expressed on many occasions, that if a group of agricultural producers can benefit from the operation of a marketing order, it should be permitted to do so. We believe that if cranberry producers can improve the marketing of their product and further the interests of producers by the operation of a cranberry marketing order including cranberries for canning or freezing, they should be afforded that opportunity."

Mr. Hemingway's statement pointed out that the canning industry has given its support over the years to a number of agricultural and food industry programs but that the canning industry must continue to oppose federal marketing order legislation.

"The canning industry learned by trial that the programs proposed by the Agricultural Marketing Agreement Act could not and cannot be fairly and equitably applied," Mr. Hemingway said, "either to the benefit of grower or processor, and certainly not to the consumer."

In summary, Mr. Hemingway said, the canning industry opposes this legislation because:

"(1) The majority of the processors of cranberries believe that marketing order control programs will not assist growers in obtaining higher returns for their raw products.

"(2) It would allow the establishment and operation under law of a monopoly in the cranberry industry. One organization, the dominant cooperative, which now is a voluntary organization, would be transformed under this legislation into a monopoly power able to control by federal authority not only its own members but the entire industry.

"(3) The goals which we understand are sought by the proponents can be attained without legislation. The dominant cooperative can and does pretty well manage the quality of fruit that can be used for canning or fresh shipment. The dominant cooperative can and does pretty much allocate the quantity marketed in fresh and canned form.

"(4) Its enactment would be another step in the socialization of American agriculture and specifically an invitation to other commodity groups to tinker with the free competitive economy of the fruit and vegetable industry.

"(5) Most important, it would foreclose entry into the business, stifle new markets, and hinder the smaller canners who have been trying to compete with the dominant organization. These small units, like every other processor, must plan in advance, and ought not to be left to the day-to-day orders of others."

Mr. Austern followed with an analysis of the principal bill before the subcommittee, S.1680, which is the

bill supported by the National Cranberry Association. He pointed out that although the bill would provide for processor representation on the control committee, in this instance one processor controls such a large portion of the cranberry supply that he alone might dictate whether there would be a marketing order on cranberries and what it might contain.

S.1680 was introduced by Senator Saltonstall (Mass.) for himself and Senators Kennedy (Mass.), Morse and Neuberger (Ore.), Smith and Case (N.J.), Magnuson and Jackson (Wash.), and Wiley and McCarthy (Wis.).

It would authorize the issuance of federal marketing orders on cranberries for canning, provided that the issuance of such an order is favored by two-thirds of the producers voting in a referendum and by processors who account for 50 percent of the volume. This is identical with the provision that was incorporated in the Agricultural Marketing Agreement Act with respect to grapefruit in 1954.

Following is the full text of the statement by Mr. Hemingway before the Senate Agriculture Subcommittee:

Text of N.C.A. Statement

by John C. Hemingway

My name is John C. Hemingway and I am representing the National Canners Association, a non-profit trade association with a membership of about 800 food canners in the United States whose combined volume of annual production is approximately 75 percent of the total canned fruit, vegetable, specialty, sea food and meat produced each year. Our Association includes small canners as well as large, independent processors as well as cooperatives.

My own company, H. C. Hemingway and Company, is one of the oldest fruit and vegetable canning companies. Since its organization in 1875, it has been continuously in the management of the same family, and I represent the third generation of this continuous operation. It is a charter member of the National Canners Association as well as the older New York State Association.

I mention this because I wish to take a moment or two to dispel an idea that was suggested last year to the effect that the National Canners Association "have always opposed progress."

The opposite is more nearly the fact of the matter.

The canning industry, through the National Canners Association and the many state associations of canners, has taken many progressive steps in the food field. The Association was formed in 1907 as a result of the industry's support of the first Food and Drug Law. The cooperation of the Association with the Food and Drug Administration has been attested by every Commissioner of that agency. From Dr. Wiley to and including Dr. Larrick, each has voluntarily and publicly complimented the canning industry and the National Canners Association for constructive assistance in the administration of the federal food laws and the development of the code of federal food regulations.

The National Canners Association was one of the first trade associations to establish scientific research laboratories and now these functions account for about one-third of the Association's annual budget. The Association compiles the industry statistics and its statistical work has the complete confidence of the trade and of the federal government.

The first federal statute providing for the establishment of minimum standards of quality, fill of container, and identity of canned food products was enacted at the behest of the National Canners Association. This law, known as the McNary-Mapes amendment (1930) to the Food and Drug Act, became the pattern for the extension of such requirements 10 years later to all food commodities. The Association worked hard in developing and supporting the new and present food law during the 1930's. Recently, the Association was a prime sponsor of the Hale amendment to the Food and Drug Act, which provides for cutting red tape in the promulgation of food standards. The industry was an active participant in the drafting of the insecticide law. The Association currently is active in the drafting of chemical additive legislation.

The industry supported the passage of the Robinson-Patman Act and the Wheeler-Lea Act—laws which establish ground rules of business conduct in the advertising and sale of food products.

The Association supported the legislation dealing with the Mexican labor problem. It supported the regulation of motor vehicles used in transporting migrant labor.

With the exception of marketing order legislation, which we vigorously oppose, I cannot think of any major agricultural or food legislation that the Association has opposed and in both our own and the public interest we must continue to oppose. Our basic policy, however, has been and continues to be one of tending our own knitting. The National Canners Association does not speak out on general subjects. It attempts only to represent the views of the food canning industry on subjects of specific interest.

In view of our history of leadership in the food field, it is not pleasant for us to be cast in the light of opposers. Our position, however, we firmly believe to be constructive.

Now, let me briefly outline our continued opposition to this legislation:

In 1933, when Congress passed the Agricultural Adjustment Act, provisions for the Secretary of Agriculture to enter into marketing agreements with producers, handlers, and processors, were included. The Act exempted from antitrust prosecution the parties to a marketing agreement. This protection still exists. In addition to providing for marketing agreements, the Act, at the suggestion of Secretary Wallace, provided for the issuance of "licenses" to permit processors to engage in business. In fact, the Act allowed the issuance of licenses even though no marketing agreement was in effect.

During the 1933-34 period, the canning industry experimented with this law. It made a number of serious and sincere attempts to assist its growers and its own private interests, but it became apparent that artificial controls would not work for the fruits and vegetables that go into canning. Briefly, the fact that raw products for most of the canned fruits and vegetables are produced in many different areas, that they are distributed nationally, and that they are intercompetitive, makes the task of artificially regulating their economy impossible. In addition, the constant change in production patterns and the steady shifts in population add to the problem.

The canning industry learned by trial that the programs proposed by the Agricultural Marketing Agreement Act could not and cannot be fairly and equitably applied, either to the benefit of grower or processor, and certainly not to the consumer.

Where a commodity is grown only in a localized area, there may be marketing agreement programs that might be of value to producers. We are not prepared to argue against such situations, if any exist.

But here the situation is different. Cranberries are grown in a number of different geographical areas: Massachusetts and New Jersey in the East, Wisconsin in the Midwest, and Washington and Oregon on the West Coast. Statistics show that the Midwest and Western production has been growing rapidly whereas the Massachusetts and New Jersey production has not had as high a rate of increase. Control programs could not be developed that would operate with complete equity. Whether a historical base or current base were established, the more progressive elements would be held back at the expense of the marginal. New people in the field would be kept out—either by the direct effect of the program or by the

knowledge of the added difficulty of trying to enter a controlled market.

For example, I am an applesauce canner. Some canners of that product have recently begun combining applesauce with other fruits, notably raspberries. This new product is meeting with fair success. Experimental work is under way with apples and cranberries. It costs a lot to do developmental work, put up the test packs anl arrange for market tests. Finally, to put a product into regional and then national distribution involves a heavy expense. Before any canner goes ahead with that sort of program he wants as much assurance as he can get that he will have a free market source of supply of raw product. A marketing order would certainly stop apple canners or other food processors from investing in new products that would use cranberries.

John Morello planned to be here today to testify in opposition to this legislation, but he has found it impossible to be present. He asked us, however, to call attention to the fact that he wired Chairman Ellender of his position, and he requested that I seek permission to introduce in the record his testimony before the House Agriculture Committee last June. Mr. Morello is president of Min-ot Food Packers, Inc., Bridgeton, N. J. His company cans cranberries. At the time he testified before the House Committee he spoke for two other small independent cranberry canners in New Jersey. He also would have spoken for them today—Clement Pappas, and Pappas Bros.

We attempted to survey cranberry canners on this legislation. There are 15 canners. The largest—having 85 percent of the total production of the canned product—is a proponent of the legislation. All the others are quite small in cranberries although two of them are large companies. Our score card showed five companies opposed and three in favor of the legislation. Two companies stated they were undecided. One of these two was opposed to the legislation last year. We received no reply from the others. However, last year one of the companies we did not hear from was in opposition.

We have made no effort to sound out grower opinion. We know there are substantial elements among growers who do not favor the legislation. Some of these are members of the National Cranberry Association. We do not dispute that the proponents represent the number or volume of growers claimed. We do believe that the grower would fare better in a more competitive market.

Last year the Twentieth Century Fund published *The Agricultural Commodity Programs*, Two Decades of Experience, by Murray R. Benedict and Oscar C. Stine. They state in the chapter on Marketing Agreements: Fruits and Vegetables, that over-all results are inconclusive. They are talking about twenty-odd years' experience and in a footnote they point out:

"71. However, little is known about the economic aspects of these programs. Reliance still is placed on guesses, guided by the instincts and knowledge of industry members long experienced in the marketing of the commodities controlled. There is little empirical evidence about the effects of the programs on prices and still less about their influence on net income to growers for the crop as a whole, including amounts withheld or diverted as well as amounts sold through regular channels."

When impartial authorities in this field of market control are unable to evaluate results after a quarter of a century of experience, is it any wonder that canners oppose the extension of the marketing order law to fruits and vegetables for canning where the problems of control obviously would be greater and where the canner, the mechanism of the control program, is not even given the same degree of authority as those for whose product he has had and would continue to have the marketing responsibility.

Our counsel will outline for you the scope of this so-called Marketing Agreements Act, and will show you how patently unfair the law is to the processor even with the amendments proposed in S. 1680. But briefly, here is a federal law that authorizes the creation of a complete economic control scheme—allocations, allotments, advertising, research—a commodity monopoly—with the processor, the man with the processing and marketing and management skills, reduced to the position of having no initiative and a mere 50 percent veto power.

In summary, we oppose this legislation because:

(1) The majority of the processors of cranberries believe that marketing order control programs will not assist growers in obtaining higher returns for their raw product.

(2) It would allow the establishment and operation under law of a monopoly in the cranberry industry. One organization, the dominant cooperative, which now is a voluntary organization, would be transformed under this legislation into a monopoly power able to control by federal authority not only its own members but the entire industry.

(3) The goals which we understand are sought by the proponents can be attained without legislation. The dominant cooperative can and does pretty well manage the quality of fruit that can be used for canning or fresh shipment. The dominant cooperative can and does pretty much allocate the quantity marketed in fresh and canned form.

(4) Its enactment would be another step in the socialization of American agriculture and specifically an invitation to other commodity groups to tinker with the free competitive economy of the fruit and vegetable industry.

(5) Most important, it would foreclose entry into the business, stifle new markets, and hinder the smaller canners who have been trying to compete with the dominant organization. These small units, like every other processor, must plan in advance, and ought not be left to the day-to-day orders of others.

Schedule of Meetings During Board Week

Tentative—Subject to Revision

WEDNESDAY, MAY 22

9:30 a.m.—Meeting of Legislative Committee, Conference Room, N.C.A.

9:30 a.m.—Meeting of Reappraisal Committee, (room to be announced), N.C.A.

12:30 p.m.—Luncheon Meeting of Canner-Grower Coordinating Committee, (location to be announced)

2 p.m.—Meeting of Convention Program Committee, (room to be announced), N.C.A.

2 p.m.—Meeting of Consumer and Trade Relations Committee, Library, N.C.A.

2-4 p.m.—Open House at N.C.A. Headquarters for new members of the Board of Directors

4:30 p.m.—Premiere showing of new color-sound film, "The Story of John Porter," Presidential Room, Hotel Statler, followed by Reception in the Congressional Room, adjoining

THURSDAY, MAY 23

9 a.m.—Meeting of Legislative Committee, (room to be announced), Sheraton-Park Hotel

9:30 a.m.—Meeting of Administrative Council, Conference Room, N.C.A.

12:30 p.m.—Luncheon — Board of Directors, Administrative Council, State Secretaries and N.C.A. guests, Continental Room, Sheraton-Park Hotel

2 p.m.—Open Meeting of Board of Directors, Caribar Room, Sheraton-Park Hotel

5 p.m.—Reception at the residence of Mr. and Mrs. Carlos Campbell

FRIDAY, MAY 24

9 a.m.—Closed Meeting of Board of Directors, Caribar Room, Sheraton-Park Hotel

Explorer's Son Eats Canned Foods Nearly 50 Years Old

The remarkably good state of preservation of cans of food recovered from South Polar expeditions stores of nearly a half century ago was recently publicized in England, as mentioned in the INFORMATION LETTER of April 13.

Dr. Ernest S. Hedges, director, and W. R. Lewis, assistant director, of the Tin Research Institute, Greenford, England, have made available to the N.C.A. photos and other records detailing the tests and sampling of these cans on March 21, at a special press conference and telecast. The containers will be put through further technical examination and publication of the results will be made by the Institute later. Dr. Hedges states from personal observation that "when the cans were opened the interior of the tin plate was remarkably bright and the food in very good condition."

The stores consisted of 11 canned food products: condensed milk, lunch tongue, pemmican, sardines, red kidney beans, baked beans with tomato sauce, red gooseberry jam, beef plasmon, evaporated horseradish (in a bottle), custard powder, and dried hops. There was also a snap-lid box of gold-lacquered tin plate containing storm matches (fusees).

They had lain undisturbed in the frozen wastes of the Antarctic for 45 years. The U. S. Navy expedition, "Operation Deepfreeze," preparing for the Geophysical Year, discovered them at Cape Evans where the English explorer, Captain Robert Falcon Scott, has deposited them on his last and fatal expedition to the South Pole in 1911.

On recovery last year, they were sent to the Scott Polar Research Institute at Cambridge, which supplied them to the Tin Research Institute for technical examination. The red gooseberry jam and the lunch tongue had been packed not later than 1907 it was ascertained, and the milk and pemmican in 1910.

At the public sampling March 21, before TV cameras and in the presence of representatives of the British press, the cans were cut and the food sampled by Peter Scott, son of the late explorer, a well-known naturalist and Director of the Wild Fowl Trust. "The English press made great play with the fact that Scott ate large quantities of tongue and gooseberry jam out of the cans he opened," stated Dr. Hedges.

Macfadden Publications

Esther Foley, home service director for Macfadden Publications, Inc., has canned foods features in the May issues of *True Story*, *True Romance*, and *True Experience* magazines.

"Mushrooms Lend a Magic Touch" headlines one article in *True Story* magazine. "New flavor, new texture, contrasting color, fragrance, broth for sauce . . . all these are added to your favorite main dish when you add mushrooms!" says Miss Foley. Accompanied by an attractive full-page color photograph of mushroom-stuffed meatloaf, ten of the recipes call for canned mushrooms. Other canned foods used include chicken broth, crab meat, ketchup, onions, peas, shrimp, tomatoes, tomato paste, and tomato sauce.

Canned bean sprouts and water chestnuts play an important part in the chow mein recipe presented in Miss Foley's interview with the cook of the month. This article, "They Ask for Chow Mein," is one of a series appearing monthly in *True Story* magazine.

Five Chinese dishes including chow mein are also featured in *True Romance* magazine in an article entitled "The Chinese Touch." Contributed by readers, these recipes contain canned foods. Bean sprouts and mushrooms are used twice; chicken rice soup, mushroom soup, pineapple chunks, pineapple juice, and pineapple slices each appears once.

"A can of tomato sauce and a few vegetables are the ingredients needed to make meatballs a full-course dinner. Could anything be easier?" asks Miss Foley in *True Experience* magazine. The article, "Let's Have Meatballs Tonight," pictures a young housewife adding tomato sauce to other ingredients in a recipe for meatballs with tomato sauce. Ketchup and chili sauce are also used.

These publications are popularly read magazines distributed both through subscription and on newsstands.

'Three Squares' Showings

"The Three Squares," the canning industry movie of the N.C.A. was shown on April 19, to 12 in the Sales Training Class of the Diversey Corporation, Chicago, by B. A. Petersen, manager of the canning department.

On April 23 the movie was shown to 12 members of the Associated Farm Youth of Talbot County, and on April 24, to 8 members of the Homemakers Club in Easton, Md., as reported by John W. Rue, Executive secretary of the Tri-State Packers' Association.

FDA Postpones Effective Date of Tuna Standards Order

The Food and Drug Administration has postponed the effective date on fill of container standards for canned tuna from May 13 to August 13.

Following is the text of the FDA order, as published in the *Federal Register* of May 2:

TITLE 21—FOOD AND DRUGS
Chapter I—Food and Drug Administration, Deparment of Health, Education, and Welfare

Subchapter B—Food and Food Products

PART 37—FISH; DEFINITIONS AND STANDARDS OF IDENTITY; STANDARDS OF FILL OF CONTAINER

ORDER EXTENDING EFFECTIVE DATE ON FILL OF CONTAINER STANDARDS FOR CANNED TUNA FISH

In the matter of adopting standards of fill of container for canned tuna fish.

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended; 21 U.S.C. 341, 371), the Commissioner of Food and Drugs, under authority delegated to him by the Secretary of Health, Education, and Welfare (20 F.R. 1996) caused to be published in the *Federal Register* of February 13, 1957 (22 F.R. 892), an order fixing and establishing a definition and standard of identity and standards of fill of container for canned tuna fish. A period of 30 days was permitted for the filing of objections to the order, in accordance with the provisions of the statute (supra), and an order granting an extension of time for the filing of objections was subsequently published (22 F.R. 1429).

A request having been received for an extension of the effective date for the standards of fill of container for canned tuna fish in order to permit more effective compliance with these standards, and such request appearing to be based on reasonable grounds: *It is ordered*, That the effective date for the standards of fill of container for canned tuna fish be extended to August 13, 1957.

(Sec. 701, 52 Stat. 1055, as amended; 21 U.S.C. 371)

Dated: April 25, 1957.

GEO. P. LARRICK,
Commissioner of Food and Drugs.

Weather Bureau Indicates Change in Drought Regime

The U. S. Weather Bureau reports that recent upper air circulation patterns are changing sufficiently to give farmers hope that the severe drought may not return in the coming growing season.

According to the Weather Bureau's extended range forecasters, the above-normal precipitation which occurred over most of the central and southern plains regions during March has resulted from changes in the major air currents over the Northern Hemisphere which produced the droughts that have characterized the past few years.

Weather Bureau climatologists, examining past weather and precipitation records in western Kansas, have noted that after previous droughts a wet March has signaled a change toward normal precipitation in later months in three out of four cases during the past 70 years.

1956 Packs of Fish

The 1956 packs of canned fish and shellfish intended for human consumption totaled 654 million pounds valued at $314 million to the packers, according to a report by the Fish and Wildlife Service.

The 1956 production in the United States, Alaska, American Samoa, Hawaii, and Puerto Rico was 11 percent more than the 589 million pounds packed in 1955 and almost up to the level of the 670 million pounds packed in 1954.

The value of the 1956 packs was about 14 percent higher than the 1955 value of $276 million.

The 1956 pack of canned tuna was a record high, as was the pack of clam products, for the second straight year.

Following is a summary of 1956 packs of principal canned fish and shellfish, with comparisons:

Canned Product	1955	1956
	(standard cases)	
Tuna	9,938,395	11,834,015
Salmon	3,288,636	3,432,658
Maine sardines	1,268,843	2,231,333
Pacific sardines	1,414,609	754,734
Anchovies	415,149	612,302
Alewives	44,645	40,805
Mackerel	564,429	1,116,343
Clam products	1,717,326	1,864,850
Crab meat	99,180	121,539
Oysters	559,602	463,856
Shrimp	901,038	870,971

Wholesale Distributors' Stocks of Canned Foods

A report on stocks of 23 canned foods in the hands of wholesale distributors on April 1 has been issued by the Bureau of the Census, U. S. Department of Commerce.

Almost all canned food items covered by this survey reflected reductions from year-ago stocks at the distributor level. Sharp declines were reported for green and wax beans and tomatoes. The largest volume items in distributors' hands, corn and peas, were slightly below year-ago levels.

Larger stocks than a year ago were reported for only four items—pineapple juice, fruit cocktail, pears, and Maine sardines.

In contrast, the Census report noted, canners' stocks of most items on April 1 were well above their year-ago levels, reflecting the larger packs during the current season.

Between January 1 and April 1 stocks of most canned foods in the hands of distributors increased, the largest increases being noted by the juices. Among the vegetables, a decline from January 1 stocks was reported only for spinach.

Among the fruits, the trend from January 1 was mixed. Distributors' stocks of four items were up and stocks of five items were reduced.

Commodity	April 1 1956	Jan. 1 1957	April 1 1957
	(thousands of actual cases)		
Vegetables:			
Asparagus	773	722	741
Beans, green and wax	3,387	2,720	2,822
Corn	4,230	4,003	4,188
Peas	3,643	3,351	3,596
Sauerkraut	796	662	668
Spinach	657	649	620
Tomatoes	3,743	3,002	3,143
Catsup and chili sauce	2,347	2,176	2,237
Fruits:			
Apples	492	496	450
Applesauce	1,377	1,276	1,219
Apricots	806	744	710
Cherries, RSP	599	579	516
Fruit cocktail [a]	1,397	1,341	1,515
Grapefruit segments	511	371	482
Peaches	3,378	3,561	3,276
Pears	1,144	1,074	1,169
Pineapple	1,850	1,624	1,790
Juices:			
Citrus blends	515	342	490
Grapefruit	1,047	692	971
Orange	1,490	902	1,270
Pineapple	1,064	1,115	1,557
Tomato [b]	2,944	2,241	2,400
Fish:			
Maine sardines	268	344	295

[a] Includes fruits for salad and mixed fruits (except citrus).

[b] Includes vegetable juice combinations containing at least 70 percent tomato juice.

Pack of Canned Meat

The quantity of meat canned and meat products processed under federal inspection during the month of March has been reported by the Agricultural Marketing Service of USDA at 199,287 thousand pounds, incuding quantities for defense.

CANNED MEAT AND MEAT PRODUCTS PROCESSED UNDER FEDERAL INSPECTION, MARCH, 1957

	3 Lbs. & over	Under 3 Lbs.	Total
	(thousands of pounds)		
Luncheon meat	13,306	11,234	24,540
Canned hams	20,106	410	20,516
Beef hash	463	8,609	9,072
Chili con carne	474	10,096	10,570
Vienna sausage	109	4,570	4,679
Frankfurters and wieners in brine	1	361	362
Deviled ham	.....	755	755
Other potted and deviled meat products	5	2,886	2,891
Tamales	231	2,284	2,515
Sliced, dried beef	15	450	465
Chopped beef	1	1,560	1,561
Meat stew	119	11,705	11,824
Spaghetti meat products	156	8,142	8,298
Tongue (not pickled)	119	152	271
Vinegar pickled products	715	1,340	2,055
Sausage	.....	697	697
Hamburger	127	2,248	2,375
Soups	2,675	48,374	51,049
Sausage in oil	404	289	693
Tripe	.....	501	501
Brains	.....	220	220
Loins and picnics	2,759	242	3,001
All other products 20% or more meat	800	6,603	7,403
All other products less than 20% meat (except soup)	511	26,941	27,451
Total all products	43,098	150,668	193,765

Columns do not add to totals shown in all cases since rounded figures are used. Amounts packed for defense are not included in these items. Total production, including quantities for defense agencies, was 199,287 thousand pounds.

Anniversary Salute on Radio

Salutes to the 50th anniversary of the N.C.A. were given by the program "The McCanns at Home," on April 1 and April 20, over New York City's radio station WOR.

In these programs, the broadcaster, Alfred McCann, included comment about the nutritive values of canned foods, the industry's 50 years of leadership and cooperation in food standards work, winding up with the statement, "It is a fact that the canning industry has brought modern progress in the science of nutrition to the consumer's dinner table.

"I am very proud of the American canning industry. And I think that all of you can be equally proud. The American canner has done a great job and I believe is to be saluted on every possible occasion."

N.C.A. Sanitary Engineer Speaks on Canning Wastes

The Pennsylvania Clean Streams Conference held at Mellon Institute of Industrial Research in Pittsburgh, April 25, featured Robert A. Canham, N.C.A. sanitary engineer, as one of the speakers. Mr. Canham's talk entitled "The Canning Industry's Waste Disposal Problem Today" was given before an audience of 200 at the State Chamber of Commerce-sponsored meeting.

In this discussion of the canning industry waste disposal problem it was pointed out that from the 3,000 canning plants there is produced annually approximately 36 billion gallons of waste containing a half-billion pounds of B.O.D. The impending water shortage and the need for more careful use of existing water supplies was emphasized.

The increasingly severe treatment requirements and their effects on the economic problems of canners were discussed. Thoughts about future requirements were considered in this connection.

In a discussion of the existing practices today, it was brought out that there is need for much more research to improve water conservation practices, to develop new and to improve existing methods of waste treatment.

Northwest Canners & Freezers

Arthur L. Reiling of Birds Eye Div., General Foods Corp., Hillsboro, Ore., has been elected president of the Northwest Canners and Freezers Association. Other officers elected are:

H. G. Hohwiesner, Starr Foods, Inc., Salem, Ore., first vice president; E. I. Pitkin, Eugene Fruit Growers Association, Eugene, Ore., second vice president; Cecil R. Tulley, Portland, Ore., reelected executive vice president and secretary-treasurer; and T. B. House, Portland, Ore., reelected assistant secretary-treasurer.

Tennessee-Kentucky Canners

Shell R. Clevenger of Bush Bros. & Co., Dandridge, Tenn., has been elected president of the Tennessee-Kentucky Canners Association. Other officers elected are:

R. K. Rooney, Old Black Joe Company, Hohenwald, Tenn., vice president; H. L. W. Hill, Tennessee Foods, Inc., Portland, Tenn., reelected secretary-treasurer; and Mrs. Katherine Green, Tennessee Foods, Inc., Portland, Tenn., assistant secretary.

Family Farms Shown Holding Their Own in Changing Economy

Family farms continue to be the dominant type of farm in the United States, after several decades of rapidly changing technology in farming, the USDA reports. However, the revolution in farm know-how is resulting in larger and fewer farms.

The trend to larger farms has caused many persons to see the family farm giving way to large-scale employer units—"factories in the field"—with marked separation of management and labor. The increasing investment needed and the larger size of farms associated with modern farming have raised questions as to the ability of operators of family farms to compete with large-scale operators.

It is in this setting of changes in technology and concern over the position of family farms that USDA's Agricultural Research Service has issued a study, *Family Farms in a Changing Economy* (AIB 171).

A major premise of the study is that growth in farm size is to be expected during a period when improved farming methods have nearly doubled the work capacity of farm labor. The rise in operating costs makes farmers strive for high output per man, per machine, per farm. The study views growth in farm size in relation to changes in farm output per man-hour of labor and prices received by farmers. Viewed in this way, family farms appear to be holding their own. Today, as 25 years ago, some 96 percent of all farms are family-operated.

Here are some of the changes in the picture during the past quarter-century:

Since 1930, the total number of farms decreased by 1.4 million—from 6.2 million to 4.8 million. During that time there was an even greater drop in the number of commercial farms—1.6 million. In that same period, almost a million commercial farms in the South dropped from the census count—largely the result of a reduction in the number of sharecropper units.

Farms classed as "non-commercial" in the 1954 farm census have increased rapidly. They comprised only 15 percent of all farms in 1930, but accounted for nearly a third in 1954. Most of the farms in this group were residential or part-time farms, and their operators depended for their living largely upon nonfarm work.

Subsistence farms—those with annual sales of less than $250, and this the major source of cash income of the farm family—numbered more than one-half million in 1930 and 1940, but today total less than 200,000.

Farm size is generally thought of in terms of acres, but the nation's farms have grown in other dimensions as well. Volume of business, income and expense figures, net worth and investment are among other measures—and they, too, are up.

Family farms—those commercial units lying between the extremes of farm income—still make up the vital core of American agriculture, the USDA study repeatedly points out.

Surprisingly, a quarter-century of technological progress has brought with it a slight increase in the proportion of farms that are smaller than one-man units. One-third of the family farms in the 1954 census would not provide full-time work for one man at the existing level of technology.

Low incomes are a chronic problem on many of these smaller commercial farms. Even though the number of commercial units has been reduced by about a third in the past 10 years, there has not been much improvement in the real income of many of the small commercial farmers who remain in farming.

The USDA study has much to say about the current and future problems of family farms. In concludes that the family farm will continue to be an important factor in agriculture. It also suggests that failure to reach farm sizes of family proportion is a more clear and present danger to the family farm than is the development of larger than family-size units.

Single copies of this study, *Family Farms in a Changing Economy* (AIB 171), may be obtained free from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C.

Texas Secretary Resigns

J. Overby Smith has resigned as executive secretary of the Texas Canners Association, effective May 15, to accept a position with the State Department of Health in Austin, Tex.

He will work in the Bureau of Foods and Drugs, after 12½ years' service with the Texas association.

Activities of the association are being continued on a limited basis, until a successor is chosen.

Civil Defense Planning For Industry Described

Expert guidance for thousands of small manufacturers in carrying out preparations for continuing plant production or restoring it in event of a nuclear attack upon United States industrial centers is contained in a new publication issued by the Business and Defense Services Administration, U. S. Department of Commerce.

The publication, entitled *Industry Planning for the Continuity of Production in the Event of Enemy Attack*, contains a report of proceedings at a special conference of more than a score of representatives of the nation's largest industrial concerns with BDSA. At this meeting executives charged with the responsibility of such planning for their companies cited steps that can be taken by most manufacturers to assure insofar as possible the continuity of production.

Illustrations in the booklet show how some companies are taking advantage of the availability of underground storage of vital corporate records. Many of the participants in the special conference reported that their companies or corporations have completed arrangements for alternate suppliers of materials for their plants, and are prepared for continuity of management under disaster conditions. Some have even established alternate banking facilities at points some distance away from their regular facilities.

Interested companies may obtain copies of the publication without charge from the Business and Defense Services Administration, U. S. Department of Commerce, Washington 25, D. C., or from any of the Commerce Department field offices.

Multiple Jobholding in 1956

A special survey by the Bureau of the Census has revealed that the number of persons holding two or more jobs at the same time has increased in recent years.

An estimated 3.7 million persons, or about 1 in 18 of all employed persons, held more than one job during the week of July 8-14, 1956. A survey taken six years earlier, in July of 1950, showed only about 1.8 million, or 1 in 33 of all employed persons, were multiple jobholders at that time.

An estimated 1 million persons held both farm and nonfarm jobs concurrently. About 3 in 5 of this group had a primary job in nonfarm work. Most of the remainder were self-employed farmers with a secondary job off the farm. Extra jobs held by farm wage workers usually were other paid farm jobs.

About 1.6 million persons held two or more jobs with employers in nonfarm industries. The heaviest concentration of secondary jobs was in trade and service pursuits, regardless of the industry in which the worker held his primary job.

Business Activity

(Concluded from page 167)

creased in the first quarter. Private investment in fixed assets was approximately stable, reflecting a peak rate of plant and equipment outlays and a further decline in residential building.

Expansion of final demand in the recent period was partly offset by a sharp reduction in the rate of business inventory accumulation. Such accumulation, which had proceeded at a seasonally adjusted annual rate of about $4 billion during most of 1956, virtually came to a halt in the first two months of 1957. Inventory book value increases which occurred in January and February were moderate, and were ascribable to higher replacement costs rather than to a rise in the physical volume of stocks.

The volume of industrial production so far this year has been maintained at the fourth quarter high. In March, total industrial output was unchanged from February despite declines in steel and automobiles.

Consumer prices continued their upward trend into the opening months of this year. In wholesale markets, some tapering tendencies in prices developed in February and March, with the result that the all-commodity index remained virtually unchanged from January.

In an analysis of recent financial developments, the Office of Business Economics noted that demands for capital funds continued in heavy volume in the first quarter of 1957, reflecting for the most part maintenance of the high rate of business spending on plant and equipment. New funds raised through corporate security flotations were exceptionally large in the first three months of the year, but business borrowing from banks was not so high as in the comparable period a year ago. Costs of borrowed funds were generally stable over the early months of this year, following fairly rapid increases in 1955 and 1956.

Forthcoming Meetings

May 12-16—Institute of Food Technologists, 17th Annual Meeting, Hotel Penn-Sheraton, Pittsburgh

May 13-15—12th Purdue Industrial Waste Conference, Purdue University, Lafayette, Ind.

May 17-18—Pennsylvania Canners Association, Sales Clinic, Bedford Springs Hotel, Bedford Springs

May 19-22—U. S. Wholesale Grocers Association, Annual Convention and Exposition, Hotel Roosevelt, New Orleans

May 22-24—NATIONAL CANNERS ASSOCIATION, Spring Meeting of Board of Directors, Sheraton Park Hotel, Washington, D. C.

June 2-3—Michigan Canners and Freezers Association, Spring Meeting, Park Place Hotel, Traverse City

June 5-7—42d National Conference of Weights and Measures, Sheraton Park Hotel, Washington, D. C.

June 7—Tidewater Canners Association of Virginia, Inc., Annual Meeting, Indian Creek Yacht & Country Club, Byrdton (near Kilmarnock)

June 9-13—National Association of Retail Grocers, 58th Annual Convention, Navy Pier, Chicago

June 17-19—Maine Canners Association, Spring Meeting, Colony Hotel, Kennebunkport

July 18-19—National Kraut Packers Association, 50th Annual Convention, Catawba Cliffs Beach Club, Port Clinton, Ohio

June 26-29—Processed Apples Institute, Inc., 6th Annual Meeting, The Greenbrier, White Sulphur Springs, W. Va.

July 22-24—National Macaroni Manufacturers Association, 53rd Annual Convention, Grand Hotel, Mackinac Island, Mich.

Aug. 5-7—International Apple Association, Inc., 63d Annual Convention, Cincinnati, Ohio

Oct. 10-12—Florida Canners Association, 26th Annual Meeting, Americana Hotel, Bal Harbour

Oct. 20-23—National Association of Food Chains, 24th Annual Meeting, Sheraton Park and Shoreham Hotels, Washington, D. C.

Oct. 28-31—National Industrial Packaging & Handling Exposition of 1957, Convention Hall, Atlantic City, N. J.

Nov. 4-6—Iowa-Nebraska Canners Association, Annual Meeting, Hotel Fort Des Moines, Des Moines

Nov. 7—Illinois Canners Association, Fall Meeting, LaSalle Hotel, Chicago

Nov. 11-12—Wisconsin Canners Association, 53d Annual Convention, Schroeder Hotel, Milwaukee

Nov. 20-22—Indiana Canners Association, Fall Meeting, French Lick-Sheraton Hotel, French Lick

Nov. 21-22—Michigan Canners and Freezers Association, Fall Meeting, Pantlind Hotel, Grand Rapids

Nov. 24-25—Pennsylvania Canners Association, 43rd Annual Convention, Yorktowne Hotel, York

Dec. 9-10—Ohio Canners Association, 50th Annual Convention, Neil House, Columbus

Dec. 14—National Food Sales Conference, National Food Brokers Association, The Conrad Hilton, Chicago

Jan. 6-8—Northwest Canners and Freezers Association, Annual Convention

Jan. 9-10—Canners League of California, 35th Annual Fruit and Vegetable Sample Cuttings, Fairmont Hotel, San Francisco

January—NATIONAL CANNERS ASSOCIATION and Canning Machinery and Supplies Association, 51st Annual Convention, Atlantic City, N. J.

Jan. 27-29—Canadian Food Processors Association, Annual Convention, Seigniory Club, Montebello, P. Q.

March 2-5—National Association of Frozen Food Packers, Annual Convention, The Conrad Hilton, Chicago

March 24-25—Canners League of California, 54th Annual Meeting, Santa Barbara Biltmore, Santa Barbara

Status of Legislation

Agricultural trade development—S. 1314 (Ellender of La.), to raise Title I authorizations from $3 billion to $4 billion and extend P. L. 480 to June 30, 1958, was passed by the Senate April 1. H. R. 6974 (Cooley of N.C.) was approved by House Agriculture Committee May 3.

Antimerger legislation—H. R. 2143 (Celler of N. Y.), to require prior notification of corporate mergers, was approved, with amendments, by a House Judiciary Subcommittee April 4. S. 198 (O'Mahoney of Wyo.) is pending before Senate Antimonopoly Subcommittee.

Defense procurement—S. 1537 (McClellan of Ark. and McCarthy of Wis.) and a number of companion bills in the House, to create a "Supply and Service Administration" in the Department of Defense for purchase and distribution of common supply items, in line with Hoover Commission recommendations, have been introduced and referred to Armed Services Committees, which are awaiting comments from the Department.

FDA chemical additives—H. R. 6747 (Harris of Ark.) and S. 1895 (Hill of Ala.), the Administration-sponsored bill, would regulate the use of chemical additives in foods. No action scheduled.

Fishermen's Protective Act—Bills to broaden protection of fishermen on the high seas were the subject of a hearing by a House Merchant Marine Subcommittee April 17.

Government contracts—H. R. 722, to amend the Robinson-Patman Act so as to make sales to nonprofit institutions for resale, subject to the Act, will be the subject of hearings by House Judiciary Committee after it receives statements from government agencies concerned.

ICC agricultural exemption—S. 1689 (Magnuson of Wash.) and H. R. 5823 (Harris of Ark.), to amend the agricultural exemption in sec. 203 (b) (6) of the Interstate Commerce Act, have been introduced.

ICC private carrier definition—S. 1677 (Magnuson of Wash.) and H.R. 5825 (Harris of Ark.), to amend the definition of a private motor carrier, as recommended by the ICC, will be the subject of hearings by the Senate Surface Transportation Subcommittee May 6-8.

ICC private carrier registration—S. 1490 (Magnuson of Wash.) and H. R. 5664 (Harris of Ark.), to require private motor carriers to register with the ICC annually, was approved by the Senate Surface Transportation Subcommitte April 12 but was passed over by the full Senate Commerce Committee at its regular meeting April 15.

Marketing orders, cranberries—S. 1680 (12 Senators from 6 cranberry producing states) and other bills to amend the Agricultural Marketing Agreement Act so as to authorize marketing orders for cranberries for canning, were the subject of hearings by a Senate Agriculture Subcommittee April 29. N.C.A. opposes (see story, page 167).

Packers and Stockyards Act—S. 1356 (O'Mahoney of Wyo.), to transfer antitrust jurisdiction over meat packing operations from USDA to FTC, were the subject of hearings by the Senate Judiciary Antitrust Subcommittee May 1-3.

Potato marketing and labeling—A number of bills to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, were the subject of hearings by the House Agriculture Committee April 15-16. N.C.A. opposes application to canning.

Poultry inspection—S. 1747 (Aiken of Vt.), providing for compulsory USDA inspection of poultry products, was passed by the Senate April 8. H. R. 6814 was approved by House Agriculture Committee May 3.

Robinson-Patman Act—S. 11 (Kefauver of Tenn.) and H. R. 11 (Patman of Tex.), to restrict the good faith defense against a charge of price discrimination, was the subject of hearings by the Senate Antitrust Subcommittee March 12-20 and March 26-April 5.

H. N. Riley Honored

H. N. Riley, pioneer food technologist, retired this week after nearly 45 years continuous service with the H. J. Heinz Co., Pittsburgh. He has been executive vice president of the firm since 1949. He was for a number of years Chairman of the N.C.A. Scientific Research Committee.

The Heinz company announced that the new Heinz research center will be dedicated to Mr. Riley in recognition of his contributions to food technology as well as to corporate administration.

Wage-Hour—Various bills to increase the minimum wage, broaden coverage and eliminate existing exemptions in the Fair Labor Standards Act, were the subject of hearings by the Senate Labor Committee. The House Labor Subcommittee will hold public hearings in New Orleans May 13-16.

Waste disposal—H. R. 1082 (Byrnes of Wis.), H. R. 2463 (Lipscomb of Calif.), and H. R. 4134 (Simpson of Pa.), to allow rapid amortization of waste disposal facilities and treatment works, have been introduced. N.C.A. supports the proposal, which is before House Ways and Means Committee.

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